#### REMARKS

### I. <u>INTRODUCTION</u>

Claims 1, 10, 14, 16, and 19 have been amended. Claims 2, 11, 15 and 18 have been cancelled. No new matter has been added. Thus, claims 1, 3-10, 12-14, 16-17 and 19 are pending in the present application. In view of the above amendments and the following remarks, it is respectfully submitted that all of the presently pending claims are allowable.

### II. THE CLAIM OBJECTIONS SHOULD BE WITHDRAWN

Claim 10 stands rejected as lacking a sufficient antecedent basis for the limitation. (See 11/21/08 Office Action p. 5-6). Claim 10 has been amended, thus, Applicants submit that the claim is now allowable and the objection should be withdrawn.

# III. THE 35 U.S.C. § 101 REJECTIONS SHOULD BE WITHDRAWN

Claim 18 stands rejected under 35 U.S.C. § 101 because the claimed invention is directed to non-statutory subject matter. (See 11/21/08 Office Action p. 2). Claim 18 has been cancelled, thus, Applicants submit that the 35 U.S.C. § 101 rejection should be withdrawn.

## IV. THE 35 U.S.C. § 103(a) REJECTIONS SHOULD BE WITHDRAWN

Claims 1, 3-9, 14, 18, and 19 stand rejected under 35 U.S.C. § 103(a) as being anticipated by U.S. Patent No. RE36,478 to McAuley et al. (hereinafter "McAuley) in view of U.S. Patent Application No. 09/885,707 to Oomen et al. (hereinafter "Oomen"). (See 11/21/08 Office Action, p. 2-5).

Claim 1 has been amended to include the allowable subject matter of claim 2. The Examiner acknowledges that this subject matter is allowable over the prior art. (See 11/21/08 Office Action p. 6) Thus, Applicants respectfully submit that claim 1 is patentable over McAuley and Oomen. Because claims 3-9 depend from, and therefore include all the limitations of claim 1, it is respectfully submitted that these claims are also allowable for at least the same reasons given above with respect to claim 1.

Claim 14 has been amended to include the allowable subject matter of claim 15. The Examiner acknowledges that this subject matter is allowable over the prior art. (See 11/21/08 Office Action p. 6) Thus, Applicants respectfully submit that claim 14 is patentable over McAuley and Oomen for at least the same reasons given above with respect to claim 1.

Claim 18 has been cancelled. Thus, Applicants submit that the 35 U.S.C. § 103(a) rejection should be withdrawn.

Claim 19 has been amended to recite "A computer readable storage medium for storing an audio stream comprising sinusoidal codes representing tracks of sinusoidal components linked across a plurality of sequential segments of an audio signal, the codes representing a predicted phase value as a function of phase value for at least a previous segment a measured phase value comprising a generally monotonically changing value, the sinusoidal codes ( $C_S$ ) being quantized as a function of the predicted phase value ( $\widetilde{\psi}(k)$ ) and the measured phase value ( $\Psi$ ) for the segment where the sinusoidal codes ( $C_S$ ) are quantized in dependence on at least one frequency value ( $\Omega$ ) of the respective sinusoidal track, wherein in a first sinusoidal track including a first sinusoidal component with a first frequency value the sinusoidal codes are quantized using a first quantization accuracy, and in a second sinusoidal track including a second sinusoidal component with a second frequency value higher than the first frequency value, the sinusoidal codes are quantized using a second quantization accuracy lower than or equal to the first quantization accuracy." Applicants respectfully submit that claim 19 is allowable for at least the same reasons given above with respect to claim 1.

### V. THE 35 U.S.C. § 102(b) REJECTIONS SHOULD BE WITHDRAWN

Claims 10, 12-13, and 16-17 stand rejected under 35 U.S.C. § 102(b) as being anticipated by McAuley. (See 11/21/08 Office Action, p. 5).

Claim 10 has been amended to include the allowable subject matter of claim 11. The Examiner acknowledges that this subject matter is allowable over the prior art. (See 11/21/08 Office Action p. 6) Thus, Applicants respectfully submit that claim 10 is patentable over McAuley and Oomen for at least the same reasons given above with respect to claim 1. Because claims 12-13 depend from, and therefore include all the limitations of claim 10, it is respectfully submitted that these claims are also allowable for at least the same reasons given above with respect to claim 1.

Claim 16 has been amended to include the allowable subject matter of claim 11. The Examiner acknowledges that this subject matter is allowable over the prior art. (See 11/21/08 Office Action p. 6) Thus, Applicants respectfully submit that claim 16 is patentable over McAuley and Oomen for at least the same reasons given above with respect to claim 1.

Claim 17 is depends from claim 14, and therefore includes all the limitations of claim 14. Thus, Applicants respectfully submit that this claim is also allowable for at least the same reasons given above with respect to claim 1.

## **CONCLUSION**

It is therefore respectfully submitted that all of the presently pending claims are allowable. All issues raised by the Examiner having been addressed, an early and favorable action on the merits is earnestly solicited.

Respectfully submitted,

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